

**SHOREVIEW CITY COUNCIL  
WORKSHOP MEETING MINUTES  
September 12, 2011**

Attendees:

City Council: Mayor Martin; Councilmembers Huffman, Quigley, Wickstrom and Withhart

Human Rights  
Commissioners: Nancy Hite, Mark Frey, Cory Springhorn, Bob Minton and Julie Williams

Staff: Terry Schwerm, City Manager  
Tom Simonson, Assistant City Manager/Community Development  
Director  
Tessia Melvin, Assistant to City Manager/Communications

Mayor Martin called the meeting to order at 7:00 p.m.

**EDA UPDATE**

Simonson reported that at the last EDA meeting, members discussed the vacancies created by the resignations of two members to change the By-Laws to allow “at-large” residents and/or local business representatives to serve on the EDA. This direction was based on the part of the mission that the EDA includes both economic development and housing. Under the current By-Laws, the EDA board is made up on three Councilmembers and two members of the Economic Development Commission. With the recent housing developments, it has been suggested that the Board could benefit from having an individual with housing background or interest.

EDA members reviewed the amending Resolution and revised By-Laws drafted based on previous direction that would change the make-up of the EDA “to a governing body of five commissioners who shall be three members of the City Council and two members who are: either residents of the City of Shoreview or work in, own, or operate a business within the City limits of Shoreview.”

Simonson reminded the EDA that a public hearing by the Council is required with two consecutive weeks notification in the local paper (a hearing would be held on October 3<sup>rd</sup> at the earliest) with applications solicited through advertisements to follow action.

There was much discussion on the amendments to the By-Laws. Simonson reported that the EDC Chair indicated support for retaining one member of the EDA from the EDC.

Simonson asked the Council to consider the following changes:

“to a governing body of five commissioners who shall be three members of the City Council and two members who are: either residents of the City of Shoreview or work in, own, or operate a

business within the City limits of Shoreview. The two at-large members may be individuals that currently serve on a City Committee/Commission.”

Huffman suggested filling one of the open spots immediately with a member of the EDC, which would be in alignment with the new EDA By-Laws and will help the EDA continue its aggressive project timeline. Martin and Wickstrom suggested waiting until after the amendments are made and filling both spots with new members, as long as the EDA can continue its aggressive project timeline.

### **Project Updates**

Simonson provided an update on the many EDA projects.

#### **Cascades Senior Housing Project Financing (Southview Senior Living) Project Update**

The developer of the proposed Cascades senior housing project is preparing to move forward with the construction. The project received approval in 2008, but has been delayed due to the unsettling housing market and tighter restrictions in financing multi-family housing.

The developer is requesting \$750,000 in TIF financing to assist with the high cost of acquiring the original site from the previous developer, acquisition of the adjacent Schneider property and desire to upgrade some of the amenities for the project. The developer has reported to staff that a Housing TIF District up to 25 years is not a viable option because the affordability restrictions are not consistent with the vision of the Shoreview Cascades. Therefore, they are requesting that an 8-year economic development district be created.

Simonson reported that the City will process the application and the EDA and Council will formally consider the financing in the next couple of months. The City could provide TIF assistance from our existing unencumbered/unobligated funds (TIF No. 1 or TIF No. 5). Simonson reported that TIF No. 5 already has \$1.3 million pledged towards the Stonehenge/Red Fox Road project.

Simonson suggested that the City could establish a new Economic Development TIF District under the special authority granted to cities – housing purposes is allowed provided construction begins by January 1, 2012. While the timeframe is very strict, Simonson believes that Cascades has approvals and should be able to meet timeframe.

There was discussion about the affordability component that would be included in a Housing TIF district. The EDA recommended that staff continue looking at creating a new TIF District. In addition, the EDA asked staff to research the company’s financial background and business plan, in addition to the amount of similar developments being created locally. The consensus of the Council was to consider adoption of the economic development district.

**Red Fox Road Retail Project (Stonehenge USA) - Review Draft Development Agreement**

Simonson reported that Stonehenge has submitted formal applications for both the PUD development plan and Tax Increment Financing. The Planning Commission will review the PUD plans later this month. Currently the project will be developed in stages with Phase 1 including the retail center, Phase 2 including the anchor specialty retail and Phase 3 including additional retail.

Simonson also stated that the Sinclair property is also being considered for redevelopment and prospective brokers/developers are exploring many of the same retailers interested the Stonehenge project. He believes that those retailers not part of the Stonehenge project will find a place at the Sinclair site.

**Midland Plaza/Midland Terrace Redevelopment Project Update**

Simonson reported that after talks with Ramsey County, the County supports the proposed realignment of Owasso Street. This project will include additional traffic engineering improvements including dual left turn lanes for northbound traffic coming from eastbound County Road E and a longer left turn lane from northbound Victoria Street to westbound County Road E.

Simonson reported that the estimated cost for this project is about \$2 million. Ramsey County has agreed to partially fund the project and the City has submitted an LCDA application for grant funding through the Metropolitan Council. Currently the application has made it through the preliminary level of review and official notification is expected by December.

Staff plans to meet with Tycon Companies to discuss a project schedule and timing plan for both the public and private improvements. Once their development team is selected, Tycon plans to submit development plans and tax increment financing applications later this year. Simonson reported that improvements will be funded through the creation of a new Redevelopment TIF District.

It is estimated that this project will begin in Spring/Summer 2012.

**Negotiations Update: - Richard McGuire Property at 3339 Victoria Street**

The City is currently waiting for Mr. McGuire to sign the purchase agreement for the proposal.

The City has a CDBG grant of \$139,000, which will be applied to this project and TIF money will fund the remainder of the project. Simonson reported while Mr. McGuire has delayed signing the agreement, he is actively looking at “short-sale” foreclosed properties, organizing his equipment and materials for the move and the VA is providing him an attorney.

Once the purchase agreement is signed by Mr. McGuire, the City will host a neighborhood meeting to discuss affordable housing options/issues and begin to solicit developer interest. Staff will need to determine the timing of teardown of structures and site restoration. Simonson also reported that an adjacent neighbor has some interested in selling the property to create a larger potential subdivision but this option would need further review.

The City will need to decide whether or not to accept CDBG grant or explore other options to purchase and resell for development.

#### Advantage Shoreview Business Loan Inquiries Update

Last year the EDA created the Advantage Shoreview Business Loan Program, which creates loans used for capital related improvements that retain and/or expand employment for a maximum of \$500,000 and is no more than 30% of the total project. Staff recently received two inquiries from local business properties interested in the loan program.

#### **DOMESTIC PARTNER REGISTRY**

Melvin provided an update on the progress of the Shoreview Human Rights Commission on the creation of a Domestic Partner Registry, which would create an ordinance that would provide unmarried couples who attest that they satisfy the City's definition of "domestic partnership" the ability to secure documentation that verify their relationship. This document can sometimes strengthen a couples' ability to secure benefits from businesses or other entities that can rely on a registration certification for their paperwork needs.

In December 2010, the HRC met with Outfront Minnesota to learn more about the potential to create a Domestic Partner Registry Ordinance in Shoreview. After further research, the HRC met with the City Council at their May workshop to discuss the potential of such an ordinance. Council agreed to have staff provide more information to them regarding why other cities were passing the ordinances and whether or not hospitals would use the registration regarding visitation policies.

Melvin reported that of the 12 cities that have already passed Domestic Partner Registry Ordinances, most of them were approached by Outfront MN. Melvin also reported that while some hospitals may use the registration regarding their visitation policies, most hospitals recommend that patients have healthcare directives for any healthcare decisions.

Nancy Hite, HRC Commissioner, commented that the Commission approached Outfront MN. HRC Members present commented that the ordinance is primarily symbolic because it does not convey any legal rights. However, they believe it is supportive of the HRC mission and enhances the City's reputation as a welcoming community to all individuals and families. In addition, HRC members believe that such an ordinance would be welcoming to new businesses and residents moving into Shoreview.

There was much discussion regarding the purpose of the ordinance. Councilmember Withhart indicated that he was very pleased to see the Human Rights Commission bring this before the Council. His church definitely supports this and he also supports it as well.

Mayor Martin indicated that she felt it was more of a rights issue than a spiritual issue. Councilmember Wickstrom also indicated her support for the issue and did not see how it would impact anyone in a negative way.

Councilmembers Quigley indicated that he did not see any huge wave of advocacy for it in the broader community and felt Shoreview already has a reputation as welcoming to all.

Councilmember Huffman indicated that he realizes that the proposal is not intended to be a statement about the “gay marriage” amendment, but felt it would be difficult for people to separate this action from that debate. He also noted that it was inconsistent with his faith.

After further discussion between the Council and HRC, the Mayor indicated that the City Council needed to make a decision on whether to move this issue forward to a Council meeting.

Huffman recommended that the City approve a statement that Shoreview is opposed to discrimination of any kind, and did not feel a registration ordinance was necessary. Quigley also agreed with this concept.

Mayor Martin indicated that appeared that three members of the Council were supportive of the registry and after some discussion, the Council then asked to schedule the ordinance for consideration at the September 19 meeting.

### **OTHER ISSUES**

Wickstrom reported that the Ramsey County League of Cities will present a seminar on Self-Defeating Habits on September 22.

Wickstrom asked about installing a pedestrian button at the corner of Fernwood and Lexington Avenue. Schwerm added that this would be expensive and would probably raise the issue of installing them at other locations in the City. The Mayor suggested that the issue be sent to the Bikeways and Trails Committee.

Wickstrom also asked why drivers cannot make a left turn on green at Lexington Avenue and County Road I. Schwerm replied that County policy only allows a left on green if the speed limit is 40 mph or lower. She also asked staff to look at the intersection of Lepak Court and County Road I to determine if safety improvements could be made.

The meeting adjourned at 9:10 p.m.